

# **Murray City Municipal Council Chambers Murray City, Utah**

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The Municipal Council of Murray City, Utah, met on Tuesday, the 14<sup>th</sup> day of June 2005 at 6:30 p.m., for a meeting held in the Murray City Council Chambers, 5025 South State Street, Murray, Utah.

Roll Call consisted of the following:

Krista Dunn,	Council Chair
Pat Griffiths,	Council Member
Jim Brass	Council Member
Robbie Robertson,	Council Member
Jeff Dredge,	Council Member - excused

Other who attended:

Doug Hill,	Mayor Pro Tem
Jan Wells,	Chief of Staff
Frank Nakamura,	City Attorney
Shannon Huff Jacobs,	Council Director
Carol Heales,	City Recorder
Pete Fondaco,	Chief of Police
Phil Markham,	Public Services
Don Whetzel,	Finance Director
Sallie Young,	Murray Journal
Crystal Liechty,	Murray Journal
Cathy McKetinch,	Salt Lake Tribune
Jeff Done,	State of Utah
Murray Citizens	
Boy Scouts	

Ms. Dunn conducted meeting.

## **A. OPENING CEREMONIES**

1. Pledge of Allegiance

Shannon Jacobs

2. Minutes

None

Ms. Dunn had all the Scouts and their leaders introduce themselves and let the audience know what merit badges they are working on.

3. Special Recognition(s)

None

**B. CITIZEN COMMENTS** (Comments are limited to 3 minutes unless otherwise approved by the Council.)

None

**C. CONSENT AGENDA**

None scheduled.

**D. PUBLIC HEARING(S)**

None scheduled.

**E. UNFINISHED BUSINESS**

1. Consider an Ordinance adopting the Final 2005-2006 Fiscal Year Budgets for Murray City including the Library Fund Budget.

Ms. Dunn stated the Council passed the Municipal Building Authority earlier today which is part of the overall budget. Also, we passed the RDA Budget at the 4:00 p.m. meeting. This ordinance will conclude the adoption of the Murray City's Budget for 2005-2006 fiscal year. A public hearing on this budget was held one week ago. Copies of the budget are available for anyone who wants to take a look at the budget.

Mr. Griffiths made a motion to adopt the Final 2005-2006 Fiscal Year Budgets for Murray City including the Library Fund Budget.

Mr. Robertson 2<sup>nd</sup> the motion.

Call Vote Recorded by Mr. Davidson.

**AYE/NAY**

  A   Ms. Griffiths  
  A   Ms. Dunn  
  A   Mr. Dredge  
  A   Ms. Robertson  
  A   Ms. Brass

Motion passed unanimously.

2. Consider an Ordinance amending Section 3.04.020 of the Murray City Municipal Code relating to Capital Projects appropriations.

Mr. Nakamura noted this is the ongoing capital project's ordinance that goes from one fiscal year and crosses into another fiscal year and crosses into another fiscal year. The Class C Road Bond of \$190,000 is the only one we have.

Mr. Brass made a motion that we amend Section 3.04.020 of the Murray City Municipal Code relating to Capital Projects appropriations.

Mr. Roberts 2<sup>nd</sup> the motion.

Call Vote Recorded by Mr. Davidson.

**AYE/NAY**

  A   Ms. Griffiths  
  A   Ms. Dunn  
  A   Mr. Dredge  
  A   Ms. Robertson  
  A   Ms. Brass

Motion passed unanimously.

F. New Business

1. Consider an Ordinance adopting the rate of Tax Levy for the fiscal year commencing July 1, 2005 and ending June 30, 2006.

Ms. Dunn noted we do not have the Tax Levy from the County at this point in time, so we will defer that to the June 21, 2005 meeting.

2. Consider a Resolution approving the appointment of Council Member James Brass to the governing board of the Central Valley Water Reclamation Facility.

Mr. Nakamura noted this is a Mayor's appointment so the Mayor has submitted this name to replace him on the Central Valley Water Reclamation Facility. It is also in anticipation that Phil Markham also would be serving as a designee, in his absent, depending on how the Board handles those situations.

Ms. Griffiths was a little taken back by this change. She is wondering why the Mayor doesn't want to fill the remainder of his term. She would like to ask the Mayor why. In the past the Mayor has always been the elected official who served on this board and being a full-time official that is inherent with the responsibilities of that position. Another thing, this is more in line with the executive branch of our government, all the department heads associated with this work fall under the Mayor's direction and at his request.

Mr. Nakamura stated the Interlocal Agreement we entered into said it has to be an elected official. A lot of our local agencies allow non-elected officials. That is something we are going to talk with Central Valley about, because we have representation on the Board with Phil Markham and Danny Astill

Another concern Ms. Griffiths has is with Mr. Brass, he like the rest of us is a part-time official he has a lot of other responsibilities. He has expressed his willingness to do this, is that right Mr. Brass. Are you willing to do it?

Mr. Brass stated yes he is.

Mr. Robertson made a motion approving the appointment of Council Member James Brass to the governing board of the Central Valley Water Reclamation Facility.

Mr. Brass 2<sup>nd</sup> the motion

Call Vote Recorded by Mr. Davidson.

**AYE/NAY**

  N   Ms. Griffiths  
  A   Ms. Dunn  
  A   Mr. Dredge  
  A   Ms. Robertson  
  A   Ms. Brass

Motion passed unanimously.

3. Consider a Resolution approving an Interlocal Cooperation Agreement between the City and the Murray School District for the City to provide its Park Center and staff supervision for the School District's "Get Fit, Don't Sit, Murray" project.

Staff Presentation: Doug Hill

Mr. Hill noted the Murray School District did receive a grant from a foundation and as part of that grant they would like to increase the physical activity in Murray City. They talked to our Parks and Recreation staff about the possibility since we offer so many programs and have so many facilities available, they talked to them about the possibility of paying us to get more people involved in the Family Recreation Program using the Park Center, the swimming pools and other facilities which we have.

If this resolution is approved tonight, the Murray School District will pay the City \$15,000 this 1<sup>st</sup> fiscal year, \$12,000 in the 2<sup>nd</sup> fiscal year, and \$12,000 in the 3<sup>rd</sup> fiscal year.

Ms. Griffiths noted if this gets the kids involved you also get the rest of the family involved.

Ms. Griffiths made a motion approving an Interlocal Cooperation Agreement between the City and the Murray School District for the City to provide its Park Center and staff supervision for the School District's "Get Fit, Don't Sit, Murray" project.

Mr. Brass 2<sup>nd</sup> the motion.

Call Vote Recorded by Ms. Heales

**AYE/NAY**

  A   Ms. Griffiths  
  A   Ms. Dunn  
  A   Mr. Dredge  
  A   Ms. Robertson  
  A   Ms. Brass

Motion passed unanimously.

4. Consider a Resolution approving an Interlocal Cooperation Agreement between the City and the Utah Associated Municipal Power Systems ("UAMPS") providing for the City to participate, through UAMPS, in the development of the Intermountain Power Project Unit 3.

Staff Presentation: Gary Merrill

Mr. Merrill noted this is the cumulation of a number of information meetings over the past year which involved presenting to the Council for consideration to participate in this 2<sup>nd</sup> level of the development of the Unit #3 of Intermountain Power Project. This proposal does not commit the City to be a subscriber to the Power. That opportunity will be evaluated and will be presented to the Council at a later date. This simply has us in a position of 26 MW within the development committee process to reserve our right up to 26 MW to subscribe to, should we choose to in the future.

We have outlined to the City Council how we can fund our share of the costs of the development committee without using additional future budget dollars and followed up with a memo to that effect with this request.

Ms. Dunn noted for the public's benefit, we have actually been privy to several different meetings where we have sought information on this project. This is the culmination of those meetings. Ms. Dunn will say for herself this is a great project for Murray City. It is a win-win situation for us. She is a little disappointed, and she knew that and Mr. Merrill was too, that we didn't hear a little sooner about the discrepancies in funding requirements. Why, two weeks before, we were all in great shape and then two weeks later, we owe \$100,000 more.? She doesn't understand.

Mr. Merrill reflected that this project had three tiers of work. The last three years the first tier, relative to a steering committee, represented a feasibility study on whether or not a 3<sup>rd</sup> unit could be added at the site at Intermountain Power Project down near Delta. That work was accomplished and has led to the 2<sup>nd</sup> tier of work, which will involve preparing the engineering and getting ready for a subscription to the, actual plant, and the financing of that plant, which will be over one billion dollars for this size facility.

Over the course of the last year the agreements for the Development Committee have been under intense scrutiny by all parties that are currently involved, or were involved in the Steering Committee, to refine very specific legal documents. It wasn't until March when all parties reached a comfort level with the overall budget projection and UAMPS, our Joint Action Agency, initiated the project. With UAMPS' adoption of the project by initiating it, then subscribers to this level of the project began to line up. The relationship of those different subscribers to the Development Committee influenced what the Budget would be.

In late May the numbers were finally able to be crunched for the first time providing Murray City's specific costs. The prior estimates had not included the administrative and general costs of running the project through UAMPS or three months of working capital in order to have the Development Committee completed in fifteen months.

Ms. Dunn knew that the Power Advisory Board came back with a recommendation for us to choose option three, to pay out the \$100,000 in a lump sum as the money that is coming back to us. With our revenues down as they are because of cold weather and being less able to sell power, would it be better to pay that over a period of time and choose option #4 or would it be better to just pay it up front.

Mr. Merrill answered, it is better to pay it up front in option 3. It is basically identifying the funding source. We will be billed monthly and we can manage those funds on a monthly basis, but the project itself is not financable over a long period of time. We are talking about fundamentally 12-15 months.

Mr. Brass commented he likes this project, even with the numbers he heard at \$51.00 a MWH. It does not commit us to buy power if we choose to opt out in the future, we get those funds back. He does know that one of the entities that had an interest in it now would love to almost double their interest. They would take up our 26 MW in a heart beat. He believes in this case, there is very little risk

Mr. Merrill noted the budget is an estimate of costs, it is not an absolute, but as outlined in the letter for the City Attorney we have an excellent representation at multiple levels from the decision making process here. Our involvement in units 1 & 2 and Mr. Merrill's role on the Board Directors of IPA as well as UAMPS affords us great access to contributing to the decisions that can control the budget.

Mr. Robertson made a motion approving an Interlocal Cooperation Agreement between the City and the Utah Associated Municipal Power Systems ("UAMPS") providing for the City to participate, through UAMPS, in the development of the Intermountain Power Project Unit 3.

Ms. Griffiths 2<sup>nd</sup> the motion.

Call Vote Recorded by Mr. Davidson.

**AYE/NAY**

  A   Ms. Griffiths  
  A   Ms. Dunn  
  A   Mr. Dredge  
  A   Ms. Robertson  
  A   Ms. Brass

Motion passed unanimously.

**G.   MAYOR**

1.     Report

The Mayor is attending a Conference of Mayors in Chicago and flying in tonight.

2.     Questions of the Mayor

**H.   ADJOURNMENT**

Recorded by: Carol Heales, City Recorder